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ABSTRACT

Economic pressures, work force diversity, and advances in technology are changing the nature of work and organizational policy and management. A predicted decline in the annual growth in gross national product is expected to trigger a slowdown in the labor force, especially in occupations that employ workers with only a high school education. Postsecondary education will be increasingly important for gainful employment and good wages for women, Blacks, and Hispanics who will make up increasing percentages of the work force. As the nature of work becomes more complex, alternative approaches to education and training in the workplace will be necessary to promote continuous learning and development for the younger segment of the work force. Four organizational trends are surfacing in response to the changing composition and nature of the work force. First, women are entering employment in nontraditional jobs with higher wages, greater benefits, and greater job security. Second, companies are moving toward flexible staffing options that include the use of temporary employees, independent contractors, outsourcing, and employee leasing. Third, alternative scheduling options such as part-time and flextime are well established; work-at-home options and job sharing are gaining acceptance. Fourth, more efficient training practices emphasize training close to the job site and skills relevant to the changing workplace. (Annotations of 15 print resources are provided.) (YLB)

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The Changing Work Force

Trends and Issues Alerts

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TRENDS AND ISSUES ALERTS

THE CHANGING WORK FORCE

Economic pressures, work force diversity, and advances in technology are prompting changes in the nature of work and in organizational policy and management. The projected annual growth in gross national product from 1990 to 2005 is expected to decline from 2.9 percent to 2.3 percent (Kutscher et al. 1992). This decline is expected to trigger a slowdown in the labor force, especially in occupations that employ workers who do not have education beyond high school, which will have implications for the employment of increasing numbers of women and minorities.

Women now make up 45 percent of the work force (Butruille 1990) and this percentage is expected to increase as more men than women will leave the labor force. Blacks and Hispanics will account for more than one-fourth of all entrants to the labor force between 1990 and 2005. These groups will need higher educational attainment if they are to compete in the future labor force. Postsecondary education will be increasingly important for gainful employment and good wages.

Although the number of older Americans in the labor force has been increasing, the 16- to 24-year-old segment of the work force has been declining since 1980. This younger group is expected to increase in the near future to reach 8.4 million in 2000 and 8.8 million in 2005, making available more entry-level workers (ibid.). However, as the nature of work becomes more complex, alternative approaches to education and training in the workplace will be necessary to promote continuous learning and development.

The cultural, educational, economic, and societal diversity among members of the work force will continue to force organizations to look to unique staffing, scheduling, and training policies and practices that will attract qualified workers and meet their personal as well as professional needs.

Four organizational trends surfacing in response to the changing composition and nature of the work force are as follows:

- Employment of women in nontraditional jobs
- Flexible staffing practices
- Alternative scheduling
- More efficient training practices

Women are one of the fastest growing segments of the labor force. They are entering employment with greater recognition of their economic needs and the skills they have to offer (Butruille 1990). Employment in nontraditional jobs offers them the potential for work "in the primary sector of the economy where jobs are more likely to command higher wages, greater benefits, a wider variety of work schedules, and greater job security" (Women's Bureau 1991, p. 2). Additionally, jobs in these areas may be more personally satisfying than many of the traditional jobs occupied by women, namely clerical and service (ibid.)

Economic and competitive pressures, the need to contain costs, and a diverse work force have prompted companies toward flexible staffing options that include the use of temporary employees, independent contractors, outsourcing, and employee leasing. A survey of 427 companies conducted by the Olsten Corporation (1992) revealed that "use of temporary employees remains the most widespread form of contract, flexible staffing. More than six out of ten companies also use independent contractors, and more than a quarter outsource business functions" (p. 6).

Alternative scheduling options such as part time and flextime are well established in many organizations. Work-at-home options are made possible by use of telecommunications. Job sharing is also gaining acceptance as women and men with children attempt to balance work and family life. "With 52 percent of women with children under age six working today, companies that intend to recruit or retain a quality work force are going to have to make jobs palatable for different kinds of people than those they were accustomed to attracting in the past" (Lee 1991, p. 23).

Training in the 1990s will be more focused on lifelong learning and training efficiency (Cohen 1991). According to Cohen, one way to make training more efficient is to conduct it as close to the job site as possible, as "nearly two-thirds of all training dollars are spend on travel and lodging" (p. 32). The skill emphasis of the 1990s will be directed to learning that is relevant to the changing workplace, for example, "managing change and ambiguity, teamwork, thinking, empowerment, learning, personal effectiveness, business practice, future focus, and diversity" (p. 34).

This **Trends and Issues Alert** provides resources that can be used in examining the challenges of a changing work force.

Print Resources

Barber, G. M.; Crouch, R. T.; and Merker, S. L. "Implications of an Aging Labor Force for Human Resource Development Policy." *Educational Gerontology* 18, no. 1 (January-February 1992): 99-110. (EJ 448 122)

Policy implications involve pensions, health benefits, retraining, flexible work options, and income support programs.

Butruille, S. G. "Corporate Caretaking." *Training and Development Journal* 44, no. 4 (April 1990): 48-55. (EJ 404 725)

Reviews changes in work force composition and worker values that are impelling companies to create family support policies. Assesses the status of working women in the workplace and the home.

Cohen, S. L. "The Challenge of Training in the Nineties." *Training and Development* 45, no. 7 (July 1991): 30-35. (EJ 428 057)

Changes in jobs and the composition of the labor force, the need for lifelong learning, technology, and changing management practices mean that training is likely to become more a screening device than a development tool.

Committee for Economic Development. ***An America that Works: The Life-Cycle Approach to a Competitive Work Force.*** New York: CED, 1990. (ED 333 098)

The life-cycle framework focuses on a two-pronged approach: to make the existing work force more productive and flexible and to augment its size by creating opportunities for underused groups of potential workers.

Crawford, E.; Romero, C. J.; and Barnow, B. S. ***A Changing Nation—Its Changing Labor Force.*** Washington, DC: National Commission for Employment Policy, 1991. (ED 339 856)

Examines the divergent experiences of Blacks, Hispanics, Asians/Pacific Islanders, Native Americans, and Whites in the labor force and attributes the differences to human capital, sociological diversity, discrimination, and geographic location.

Ferber, M. A.; O'Farrell, B.; and Allen, L. R.; eds. ***Work and Family. Policies for a Changing Work Force.*** Washington, DC: National Academy Press, 1991. (ED 341 844)

Reviews changes in family structure and composition, arrangements for dependent care, employment practices in other industrialized countries, innovative employer programs, and conclusions for policies, programs, and future research.

Fischer, R. "Tomorrow's Workers: A Peek at What Demographers See for Workforce 2000." Conference paper, 1990. (ED 324 712)

Predicts slow labor force growth, rise in average age, fewer entry-level workers, more immigrants and minorities, increased mismatch between needs and worker capabilities, consideration of previously ignored potential workers, and change in workers' families.

General Accounting Office. ***The Changing Workforce. Demographic Issues Facing the Federal Government.*** Washington, DC: GAO, 1992. (ED 346 241)

Labor economists and other experts often disagree with predictions of widespread labor shortages and skills mismatches. They generally agree that the demographic composition of the work force has changed and will continue to change, particularly in terms of women and racial and ethnic minorities.

Interstate Conference of Employment Security Agencies. ***Workforce Trends.*** Washington, DC: ICESA, 1990. (ED 327 638)

Presents an overall assessment of work force trends in terms of demographics, technology, political restructuring, economics, sociological forces, educational changes, and environmental effects.

Interstate Conference of Employment Security Agencies. ***The Future at Work.*** Washington, DC: ICESA, 1991. (ED 338 877)

Changing workplace trends include the shrinking workweek, quest for job satisfaction, flextime/telecommuting, automation, employee leasing, flexible or cafeteria benefit plans, and more employee responsibility.

Kutscher, R. E.; Berman, J. M.; and Cosca, T. A. "Outlook 1990-2005: Major Trends and Issues. The 1990-2005 Job Outlook in Brief." ***Occupational Outlook Quarterly*** 36, no. 1 (Spring 1992): 2-5. (EJ 444 054)

The economy will grow more slowly in the next decade due to slow labor force growth. Service industries will provide most new jobs, and higher educational attainment will be needed to compete in an increasingly diverse work force.

Lee, C. "Balancing Work and Family." ***Training*** 28, no.9 (September 1991): 23-28. (EJ 430 803)

Describes responses of some companies to increasing demands for family-work balance in terms of flexibility in hours and leave policies, child care, and benefits.

Mishel, L., and Teixeira, R. A. ***The Myth of the Coming Labor Shortage.*** Washington, DC: Economic Policy Institute, 1991. (ED 346 265)

Examines conventional wisdom that the economy will face a labor shortage, including skill requirements of jobs, quantity and quality of the future work force, and recent and expected trends in wages and incomes.

Olsten Corporation. ***New Staffing Strategies for the 90's.*** Westbury, NY: Olsten Corporation, 1992. (ED 343 031)

Trends identified by human resource executives include flexible staffing, temporary employees, outsourcing, employee contracting and leasing, alternative scheduling options, and work at home.

Women's Bureau. ***Nontraditional Training and Employment Programs Serving Women Directory.*** Washington, DC: Women's Bureau, U.S. Department of Labor, 1991. (ED 349 952)

Describes programs providing job training for women in nontraditional occupations, information and technical assistance programs, and outreach programs. Includes supplemental materials on federal and state agencies, national organizations, and a bibliography.

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